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BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION
DIRECT TESTIMONY OF C. ALAN BLACKMON

DOCKET NO: 97-153-E

S.C. PUBLIC SERVICE COMMISSION

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1 Q. PLEASE STATE YOUR NAME AND ADDRESS.

2 A. My name is Alan Blackmon. My business address is Post Office Box 277,
3 Pickens, South Carolina 29671.

4 Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

5 A. I am employed by Blue Ridge Electric Cooperative as the Manager of
6 Engineering.

7 Q. PLEASE BRIEFLY OUTLINE YOUR EDUCATION AND EXPERIENCE IN
8 THE ELECTRIC INDUSTRY.

9 A. I received a Bachelor of Electrical Engineering degree from Georgia Institute of
10 Technology in 1977.

11 I served as the System Planning Engineer for Blue Ridge from 1985 to 1987, and
12 then as Manager of Engineering for Blue Ridge from March 1985 to the present.

13 Prior to working with Blue Ridge, I worked as a consultant to electric utilities for
14 Southern Engineering.

15 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

16 A. The purpose of my testimony is to express the strong objection of Blue Ridge
17 Electric Cooperative regarding the activities of Duke Power Company ("Duke")
18 with regard to its efforts to provide electric service to a customer located within

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19 our assigned service territory. The Nason Plant is located adjacent to South
20 Carolina Highway 11, near the town of Walhalla.

21 **Q. WHAT ACTION DID YOU TAKE WHEN YOU LEARNED ABOUT DUKE**
22 **POWER'S EFFORT TO SERVE THE NASON PLANT?**

23 **A.** I directed Barney Drake, Senior Engineer for Blue Ridge, to perform an
24 engineering review of the facts and circumstances surrounding the Nason Plant's
25 need for electric service. A Blue Ridge employee requested assistance in
26 determining what size transformer would be needed to serve the plant at the time
27 of operation. We obtained load information from Duke Power on an existing
28 Nason Plant that was similar in size and located in Duke Power's assigned
29 territory. We learned that the existing Nason Plant only peaked at approximately
30 18KW and a review of the electrical panel schedule from Nason for the new plant
31 listed the panel connected load as 335kva.

32 **Q. WHO INFORMED NASON OFFICIALS THAT THEY COULD CHOOSE**
33 **DUKE POWER TO SERVE A CUSTOMER IN BLUE RIDGE ASSIGNED**
34 **TERRITORY?**

35 **A.** Duke Power has apparently assured Nason officials that it could provide electric
36 service to the Nason Plant based on a claim of corridor rights associated with a
37 44kv transmission line.

38 **Q. WHAT IS BLUE RIDGE'S POSITION WITH REGARD TO DUKE'S**
39 **CLAIM THAT IT HAS THE AUTHORITY TO SERVE NASON BASED ON**
40 **CORRIDOR RIGHTS ASSOCIATED WITH THE 44KV LINE?**

41 A. Blue Ridge strongly opposes the position taken by Duke Power in this matter.
42 As shown in the testimony of Barney Drake, the 44kv line in question was built
43 approximately 25 years ago to serve as a transmission tie line between
44 Westminster and Walhalla. It is Blue Ridge's position that the Public Service
45 Commission should look to the purpose of the line at the time it was constructed
46 and reject any effort to recharacterize a transmission line to a distribution line.
47 If the Public Service Commission were to adopt Duke Power's position on this
48 matter, it could open up a flood gate of hearings regarding other transmission lines
49 that pass through the assigned territories of all electric suppliers in South Carolina.
50 It is our position that Duke Power is attempting to circumvent the Territorial
51 Assignment Act of 1969. In addition, the South Carolina Code of Laws directs
52 the Commission to examine the "primary purpose and use" of a line. Duke Power
53 cannot argue that it built the 44kv line 25 years ago in order to provide electric
54 service to the Nason Plant in 1997.

55 Q. **HAS DUKE POWER SOUGHT ANY CERTIFICATE FROM THE PUBLIC**
56 **SERVICE COMMISSION FOR CONSTRUCTION AND SERVICE TO**
57 **NASON?**

58 A. No. I have been unable to find any request by Duke Power to seek approval for
59 its attempts to provide construction and services to the Nason industrial premises
60 as required under R.103-304 of the Commission's regulations for electric utilities.

61 Q. **HAS BLUE RIDGE VOICED ITS OBJECTION TO DUKE POWER**
62 **COMPANY AND TO NASON OFFICIALS REGARDING DUKE'S**

63 **EFFORTS TO PROVIDE ELECTRIC SERVICE TO THE NEW NASON**
64 **PLANT?**

65 A. Yes. Blue Ridge has notified both Duke and Nason of its strenuous objections
66 to the construction of facilities and provision of service by Duke Power. Duke
67 Power continued to ignore the objections of Blue Ridge until such time as Blue
68 Ridge filed its emergency Petition for Rule to Show Cause and Petition for
69 Immediate Cease and Desist Order with the Public Service Commission in April
70 of 1997.

71 Q. **WHAT IS YOUR REQUEST AND RECOMMENDATION TO THE**
72 **COMMISSION?**

73 A. Based upon my examination of this matter, the Commission should reject any
74 effort by Duke Power to serve the Nason Plant. The property in question is
75 assigned to Blue Ridge and involves a new industrial premise "...initially requiring
76 electric service after July 1, 1969" as established by South Carolina Code §58-27-
77 610 et seq. Duke's effort to characterize its 44kv transmission line as a
78 distribution line is simply an effort to invade the service territory assigned to Blue
79 Ridge. Duke is apparently prepared to duplicate Blue Ridge's distribution line
80 which is currently in place, immediately adjacent to the Nason property and fully
81 capable of meeting the electrical needs of the Nason Plant. The Territorial
82 Assignment Act was designed and intended to avoid such wasteful duplication.

83 Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

84 A. Yes.